IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF TEXAS BEAUMONT DIVISION

FILED

U.S. DISTRICT COURT
EASTERN DISTRICT OF TEXAS

JUN 2 9 2004

MOTOROLA, INC. and FREESCALE
SEMICONDUCTOR, INC.,

Plaintiffs,

V.

CIVIL ACTION NO. 1:03-CV-0407

STMICROELECTRONICS, N.V. and
STMICROELECTRONICS, INC.

JURY REQUESTED

STMICROELECTRONICS, INC.

Judge Crone/Magistrate Judge Radford

Defendants.

SECOND AMENDED COMPLAINT FOR DAMAGES AND INJUNCTIVE RELIEF (DEMAND FOR JURY TRIAL)

Plaintiffs Motorola, Inc. and Freescale Semiconductor, Inc., by their attorneys, complain against STMicroelectronics N.V., and STMicroelectronics, Inc. and allege as follows:

Parties

- 1. Plaintiff Motorola, Inc. ("Motorola") is a corporation organized under the laws of the State of Delaware with its principal place of business at 1303 East Algonquin Road, Schaumburg, Illinois 60196. Motorola, through its subsidiaries, markets and sells semiconductor products throughout the United States, including within this District.
- 2. Plaintiff Freescale Semiconductor, Inc. ("Freescale") is a corporation organized under the laws of the State of Delaware with its principal place of business at 6501 William Cannon Drive, Austin, Texas 78737. Freescale is a wholly owned subsidiary of Motorola and markets and sells semiconductor products throughout the United States, including within this District.

- 3. On information and belief, defendant STMicroelectronics N.V. ("STMicro N.V.") is a corporation organized under the laws of The Netherlands with its principal place of business at 39, Chemin du Champ-des-Filles, 1228 Plan-les-Ouates, Geneva, Switzerland. STMicro N.V., through its U.S. sales offices and distributors markets and sells semiconductor products throughout the United States, including within this District. STMicro N.V. has appeared herein and is before the Court for all purposes.
- 4. On information and belief, defendant STMicroelectronics, Inc. ("STMicro, Inc.") is a corporation organized under the laws of the State of Delaware with one of its principal places of business at 1310 Electronics Dr., Carrollton, Texas 75006. STMicro, Inc. markets and sells semiconductor products throughout the United States, including within this District. STMicro, Inc. has appeared herein and is before the Court for all purposes.

Jurisdiction and Venue

- 5. This is an action arising under the patent laws of the United States, 35 U.S.C. § 101 set seq. This Court has subject matter jurisdiction under 28 U.S.C. §§ 1331 and 1338(a).
- 6. Venue is proper in this judicial district under 28 U.S.C. §§ 1391(b), (c) and (d) and 1400(b).

The Patents

7. United States Patent No. 4,446,194, invented by Jon Candelaria and Kurt S. Heidinger, entitled "Dual Layer Passivation" (the "Candelaria Patent"), was duly and legally issued by the United States Patent and Trademark Office on May 1, 1984. A copy of the Candelaria Patent is attached hereto as Exhibit A.

- 8. United States Patent No. 4,758,945, invented by James J. Remedi, entitled "Method for Reducing Power Consumed by a Static Microprocessor" (the "Remedi Patent"), was duly and legally issued by the United States Patent and Trademark Office on July 19, 1988. A copy of the Remedi Patent is attached hereto as Exhibit B.
- 9. Before April 4, 2004, Motorola was the owner of all rights, title and interest in and to the Candelaria and Remedi Patents (the "Motorola Patents"). From April 4, 2004 to the present, Freescale has owned, and continues to own, all rights, title, and interest to the Motorola Patents.

Background

- 10. The Motorola Patents cover inventions relating to semiconductor processing and semiconductor chip design.
- 11. The Defendants have imported into the United States, marketed, sold and/or offered for sale in the United States, products covered by the Motorola Patents.
- 12. The Defendants have had actual and/or constructive notice and knowledge of the Motorola Patents. The filing of this Second Amended Complaint also constitutes notice in accordance with 35 U.S.C. § 287. Despite such notice, the Defendants continue to import into and sell in the United States products covered by the Motorola Patents.

Count I

- 13. Plaintiffs repeat and reallege the allegations in paragraphs 1-12.
- 14. On information and belief, the Defendants have infringed, and/or induced infringement of, the Candelaria Patent by importing into, offering for sale, or selling in the

United States, or by intending that others import into, offer for sale, or sell in the United States, products that incorporate the invention of, and/or were made using the methods claimed in, the Candelaria Patent.

15. On information and belief, the Defendants' infringement of the Candelaria Patent has been willful. The Defendants' continued infringement of the Candelaria Patent has damaged and will continue to damage Plaintiffs.

Count II

- 16. Plaintiffs repeat and reallege the allegations in paragraphs 1-15.
- 17. On information and belief, the Defendants have infringed, and/or induced infringement of, the Remedi Patent by importing into, offering for sale, or selling in the United States, or by intending that others import into, offer for sale, or sell in the United States, products that incorporate the invention of, and/or were made using the methods claimed in, the Remedi Patent.
- 18. On information and belief, the Defendants' infringement of the Remedi Patent has been willful. The Defendants' continued infringement of the Remedi Patent has damaged and will continue to damage Plaintiffs.
- 19. On information and belief, the Defendants' infringement of the Remedi Patent has caused and will continue to cause Plaintiffs irreparable harm unless enjoined by the Court.

 Plaintiffs have no adequate remedy at law.

Prayer and Relief

WHEREFORE, Plaintiffs respectfully request that this Court enter judgment in their favor and grant the following relief:

- A. Adjudge that the Defendants are infringing the Motorola Patents;
- B. Adjudge that the Defendants' infringement of the Motorola Patents was willful, and that Defendants' continued infringement of the Motorola Patents is willful;
- C. Enter an order preliminarily and permanently enjoining the Defendants from any further actions of infringement of the Motorola Patents.
- D. Award Plaintiffs damages in an amount adequate to compensate Plaintiffs for the Defendants' infringement of the Motorola Patents, but in no event less than a reasonable royalty under 35 U.S.C. § 284;
- E. Enter an order trebling any and all damages awarded to Plaintiffs by reason of the Defendants' willful infringement of the Motorola Patents, pursuant to 35 U.S.C. § 284;
- F. Enter an order awarding Plaintiffs interest on the damages awarded and their costs pursuant to 35 U.S.C. § 284;
- G. Enter an order finding that this is an exceptional case and award Plaintiffs their reasonable attorneys' fees pursuant to 35 U.S.C. § 285; and
- H. Award such other relief as the Court may deem appropriate and just under the circumstances.

Dated: May 27, 2004

Respectfully submitted,

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CERTIFICATE OF SERVICE

The undersigned counsel for Plaintiff Motorola, Inc. hereby certifies that a true and correct copy of the foregoing was served upon the counsel identified below this __ day of May, 2004, as indicated:

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